REMARKS

Claims 1-10, 14, 15, 17-26, 30, 31, 33-36, 45-52, 55 and 56 are pending in the application (claims 11-13, 16, 27-29, 32, 37-44, 53, 54, and 57-68 having been previously canceled). Claim 49 is amended to correct a typographical error found therein. No other amendments to the claims are made by this paper and this amendment is not made for patentability purposes. As a result, claims 1-10, 14, 15, 17-26, 30, 31, 33-36, 45-52, 55 and 56 are pending and at issue with claims 1, 19, 34 and 49 being independent claims.

Applicants respectfully traverse the rejections of claims 1-10, 14, 15, 17-26, 30, 31, 33-36, 45-52, 55 and 56 under 35 U.S.C. 103(a) as obvious over Popolo, U.S. Patent No. 5,715,402 ("Popolo"). Applicants respectfully request reconsideration and withdrawal of these rejections. In particular, each of the pending claims recites one or more elements that are simply not disclosed in or suggested in any manner by Popolo. For example, each of independent claims 1, 19, 34 and 49 recites one or more of (1) determining if a preexisting credit relationship exists between a metal buyer and a metal seller (claims 1, 19 and 49), (2) providing a payment guarantee (claims 1 and 19), (3) transmitting an icon or a hyperlink of a web page including an icon if a preexisting credit relationship exists (claims 1, 34 and 49), (4) sending a hyperlink of a metals exchange web page to a metal buyer, the page being a metal hedging web page or a logistics web page (claims 1, 19) (5) sending or receiving metal chemistry composition in the form of ranges of elements of the periodic table (claim 34) or (6) transmitting a purchase selection to a metal buyer for an FAS133 compliant derivative contract or otherwise facilitating in the completion of an FAS133 compliant derivative contract (claims 1, 19, 34) or causing a processor to transmit a hyperlink to a web page offering to sell at least one of a metals hedging contract, a logistics contract and an FAS133 compliant derivative contract (claim 49).

The examiner has simply failed to illustrate how Popolo discloses or even suggests any of these elements. In particular, in rejecting the independent claims as obvious over Popolo, the examiner relies generally upon Popolo's summary of the invention section at column 1, line 45 to column 2, line 12 and the description at column 6, lines 20-45, which are reprinted below:

With the foregoing in mind, it is an object of the present invention to provide an interactive on-line system for trading spot steel commodities.

It is another object of the present invention to provide a computerized system for the exchange of information between buyer and seller of spot steel commodities.

It is another object of the present invention to provide a system storing a detailed database of available steel products defined by a specification sheet filled out by seller of the product and which permits potential buyers to enter bids which are electronically mailed to the seller for acceptance or rejection.

In accordance with the present invention a system for managing steel inventories is proposed to reduce the time and expense associated with selling prime and secondary steel that is no longer needed for the original intended application. The system permits sellers to post detailed specification of an item for sale and permits buyers to browse or search the posted inventory to locate items filling specific needs. A buyer may bid on part or all of an item posted and the seller may accept or reject any bid. The buyer and seller engage in an auction by electronic mail and optionally by facsimile. The detailed specifications of the item may be expressed in a variety of units of measure. Regardless, of unit of measure used by a seller in posting an item, the system performs the necessary conversions to display information to an interested buyer in a unit of measure set by the buyer. A hierarchial menu structure permits ease of use in selecting available options during posting or bidding an item. The invention is designed to meet the needs of all channels in the steel processing community; mills, service centers, end-users, distributors and trading companies.

(Popolo column 1, line 45 to column 2, line 12)

and:

When a user highlights a row and presses the ENTER key on the keyboard of the remote device, a pop-up list or mini-form appears that permits the seller to select from a list of predefined choices or enter a response on the form.

The selection and entry of commodity and attributes is controlled by the blocks 170-176 in FIG. 7. Positioning the highlight bar on the line designated PRODUCT, and pressing the ENTER key on the keyboard, calls the subroutine indicated at 170. This subroutine causes a pop-up list of COMMODITIES to appear, one of which must be selected by highlighting and pressing the ENTER key. The commodity list, for example, may include:

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COMMODITIES LIST

1. HOT ROLLED
2. COLD ROLLED
3. HOT-DIPPED GALVANIZED
4. ELECTRO GALVANIZED
5. ZINCROMETAL
6. ALUMINIZED
7. PRE-PAINTED CR, HR, GZ
8. BLACK PLATE
9. TIN PLATE
10. CHROME PLATE

(Popolo, column 6, lines 20-45).

While, as evidenced in the above description, Popolo generally discloses a system for buying and selling spot steel, the above cited sections of Popolo disclose or teach nothing about (1) determining if a preexisting credit relationship exists between a metal buyer and a metal seller (claims 1, 19 and 45), (2) providing a payment guarantee (claims 1 and 19), (3) transmitting an icon or a hyperlink of a web page including an icon if a preexisting credit relationship exists (claims 1, 34 and 49), (4) sending a hyperlink of a metals exchange web page to a metal buyer, the page being a metal hedging web page or a logistics web page (claims 1, 19) (5) sending or receiving metal chemistry composition information in the form of a range for individual elements from the periodic table of elements, (claim 34) or (6) anything related to facilitating the completion of an FAS133 compliant derivative contract (claims 1, 19, 34) or offering to sell at least one of a metals hedging contract, a logistics contract and an FAS133 compliant derivative contract (claim 49).

For example, the above cited text of Popolo does not even mention the word credit and does not disclose the concepts of determining whether a preexisting credit agreement exists between a buyer and a seller much less creating or sending an icon showing the existence of such a relationship as part of a transaction. Furthermore, none of this disclosure has anything to do with any device or structure that provides a payment guarantee. Also, Popolo does not mention or make any suggestions regarding FAS133 compliant derivative contracts, and does not have anything to do with sending web pages related to metal hedging or logistics or of offering to sell at least one of a metals hedging contract or a logistics

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contract. In fact, neither the FAS133 regulation nor hedging or logistics contracts are even mentioned or otherwise addressed in Popolo. Still further, Popolo does not disclose or suggest sending or receiving metal chemistry composition information related to metals being sold in the form of a range for each of a plurality of elements from the periodic table of elements. The examiner simply has not cited any disclosure in Popolo specifically directed to any of these claimed features.

Applicants therefore respectfully traverse the rejections of the pending claims. Specifically, under MPEP §§ 2142 and 2143,

> [t]o establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure.

Citing, In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991); *see also* MPEP § 2143- § 2143.03 for decisions pertinent to each of these criteria. Because Popolo fails to disclose the concepts of determining whether a preexisting credit relationship exists between a buyer and a seller, providing a payment guarantee, transmitting a metals exchange web page or a hyperlink to such a web page to a buyer, purchasing or offering to sell an FAS133 compliant derivative contract or anything to do with FAS133 compliant derivative contracts, metal hedging or logistics contracts, or sending metal chemistry composition information in the form of ranges of periodic elements as part of a metals exchange, Popolo cannot render any of the pending claims obvious.

Moreover, the examiner has failed to point to any motivation or suggestion within Popolo that would direct one of ordinary skill in the art to arrive at the claimed subject matter. First of all, it is not even clear if the Popolo system could be modified in the manner suggested by the examiner to include even one of the elements discussed above. In any event, the examiner makes no attempt to point to any motivation within Popolo itself for

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modifying Popolo to include any of these elements. It is clear, however, that a *prima facie* case of obvious does not exist unless a motivation, express or implied, exists within the prior art for making the modification. *In re Fritch*, 972, F2d 1260, 23 U.S.P.Q.2d 1780 (Fed. Cir. 1992). Here, the Examiner has failed to point to any suggestion or motivation to modify Popolo to include the claimed elements discussed above, including for example, modifying the Popolo system to replace a sales contract for spot metals with an FAS133 compliant derivative contract.

Furthermore, applicants respectfully submit that one of ordinary skill in the art at the time of applicants' invention would not have been motivated to modify the disclosure of Popolo to arrive at the claimed invention. In particular, Popolo is merely concerned with and describes the buying and selling of physical commodities such as, for example, spot metals or steel, for *immediate delivery*. Popolo fails to disclose or suggest activities related in any manner to FAS133 compliant derivative contracts, or hedging or logistics contracts to buy a commodity at a *future date*. In other words, there is simply no reason for Popolo to be modified in the manner suggested by the examiner because Popolo deals with an entirely different type of transaction. In any event, because the examiner has failed to establish a *prima facie* case of obviousness of claims 1-10, 14, 15, 17-26, 30, 31, 33-36, 45-52, 55 and 56 based on Popolo, none of these claims is rendered obvious by Popolo.
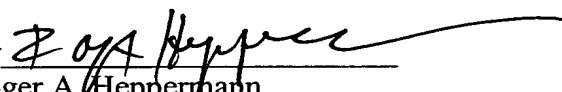
Conclusion

In view of the above remarks, applicants submit that the application as a whole is in condition for allowance, and such action is requested at the examiner's earliest convenience.

This response is timely filed as it is filed using the Certificate of Mailing provisions of 37 C.F.R. § 1.8 and is accompanied by a petition for a three-month extension of time and a check for the requisite petition fee for a Small Entity, thereby extending the response date to January 5, 2006. Although applicants believe that no other fees are due, the Commissioner is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 13-2855 of Marshall, Gerstein & Borun, LLP under Order No. 29983/36943. A duplicate copy of this paper is enclosed.

Dated: January 4, 2006   Respectfully submitted,

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